2005 - 2006 LEGISLATURE

LRB-3781/2 PG:kjf:

# 2005 BILL



(Regen)

AN ACT to amend 121.905 (3) (b) 1. and 121.91 (4) (f) 1.; and to create 121.105 (2) (c), 121.905 (3) (b) 3., 121.91 (2m) (r) 3. and 121.91 (2m) (r) 4. of the statutes; relating to: the eligibility for special adjustment aid and the calculation of revenue limits when territory is detached from one school district and attached to another or when territory is detached from one or more school districts to create a new school district.

## Analysis by the Legislative Reference Bureau

Under current law, a school district is guaranteed to receive in each school year at least 85 percent of the amount of state aid that it received in the previous school year. The additional aid is called special adjustment aid.

Current law also increases a school district's revenue limit, if the average enrollment of the school district in the current and 2 preceding school years is less than the average enrollment in the 3 previous school years, by the additional amount that would have been calculated had the decline in enrollment been 25 percent of what it was.

This bill provides that if territory is detached from one or more school districts either to create a new school district or to attach the territory to another school district, none of the school districts affected by the reorganization are eligible for special adjustment aid or for the revenue limit increase described above in the school year in which the reorganization takes effect.

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The bill also revises the method for calculating the revenue limit of a school district affected by a reorganization described above for the three years immediately following the effective date of the reorganization.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 121.105 (2) (c) of the statutes is created to read:

121.105 (2) (c) Notwithstanding par. (am), in the school year in which a school district reorganization takes effect under s. 117.105 or 117.11, no school district affected by the reorganization is eligible for aid under this subsection.

**SECTION 2.** 121.905 (3) (b) 1. of the statutes is amended to read:

121.905 (3) (b) 1. Except as provided under subd. subds. 2. and 3., divide the result in par. (a) 1. by the sum of the average of the number of pupils enrolled in the 3 previous school years and the number of pupils enrolled who were school district residents and solely enrolled in a special education program provided by a county children with disabilities education board program in the previous school year.

**SECTION 3.** 121.905 (3) (b) 3. of the statutes is created to read:

121.905 (3) (b) 3. For a school district from which territory was detached either to create a new school district under s. 117.105 or to attach to an adjoining school district under s. 117.11, for the school year beginning with the effective date of the reorganization, divide the result in par. (a) 1. by the average of the number of pupils enrolled in the 3 previous school years; for the school year beginning on the first July 1 following the effective date of the reorganization, divide the result in par. (a) 1. by the number of pupils enrolled in the previous school year; and for the school year beginning on the 2nd July 1 following the effective date of the reorganization, divide

the result in par. (a) 1. by the average of the number of pupils enrolled in the 2 previous school years.

SECTION 4. 121.91 (2m) (r) 3. of the statutes is created to read:

- 121.91 (2m) (r) 3. Notwithstanding par. (e), if territory is detached from a school district either to create a new school district under s. 117.105 or to attach to an adjoining school district under s. 117.11, the revenue limit under this section of the school district from which territory is detached for the school year beginning with the effective date of the reorganization shall be determined as follows except as provided in subs. (3) and (4):
- a. Divide the result under s. 121.905 (3) (a) 1. by the average of the number of pupils enrolled in the 3 previous school years.
- b. Add an amount equal to the amount of revenue increase per pupil allowed under this subsection for the previous school year multiplied by the sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal to the result under subd. 3. a.
- c. Multiply the result under subd. 3. b. by the number of pupils who in the previous school year were enrolled in the school district and who did not reside in the detached territory, or by the number of pupils enrolled in the school district in the current school year, whichever is greater.

SECTION 5. 121.91 (2m) (r) 4. of the statutes is created to read:

121.91 (2m) (r) 4. If territory is detached from a school district either to create a new school district under s. 117.105 or to attach to an adjoining school district under s. 117.11, the following adjustments to the calculations under par. (e) apply to the school from which territory is detached for the 2 school years beginning on the July 1 following the effective date of the reorganization:

a. For the school year beginning on the first July 1 following the effective date
of the reorganization the number of pupils in the previous school year shall be used
under par. (e) 1. instead of the average of the number of pupils in the 3 previous school
years, and for the school year beginning on the 2nd July 1 following the effective date
of the reorganization the average of the number of pupils in the 2 previous school
years shall be used under par. (e) 1. instead of the average of the number of pupils
in the 3 previous school years.

b. For the school year beginning on the first July 1 following the effective date of the reorganization the average of the number of pupils in the current and the previous school year shall be used under par. (e) 3. instead of the average of the number of pupils in the current and the 2 preceding school years.

**SECTION 6.** 121.91 (4) (f) 1. of the statutes is amended to read:

121.91 (4) (f) 1. For the 1999–2000 school year or any school year thereafter, if the average of the number of pupils enrolled in the current and the 2 preceding school years is less than the average of the number of pupils enrolled in the 3 previous school years, the limit otherwise applicable under sub. (2m) (e) is increased by the additional amount that would have been calculated had the decline in average enrollment been 25% of what it was. In the school year in which a school district reorganization takes effect under s. 117.105 or 117.11, this subdivision does not apply to any school district affected by the reorganization.

### SECTION 7. Initial applicability.

(1) This act first applies to school district reorganizations that take effect on July 1, 2006.

### S:\dl\district creation

# A. Special adjustment aid calculated using the ratio of retained pupils.

Delete reference to s. 117.11.

Renumber par. (am) as par. (am) 1. and have it say except as provided in subd. (am) 2.

Create par. (am) 2. For a school district from which territory was detached to create a new school district under s. 117.105, for the school year beginning on the first July 1 following the effective date of the reorganization, if a school district would receive less in state aid in the current year than the amount determined subd. 2. a., its state aid for the current school year shall be increased to an amount equal to 85% of the amount determined under subd. a.

a. Add state aid that was received in the previous year and the adjustment, if any, made under s. 121.15(4)(b) in the current school year and multiply that sum by the result of dividing the number of pupils who in the previous school year were enrolled in the school district by the number of pupils who in the second previous school year were enrolled in the school district.

# B. Add section explicitly dealing with school districts that have territory detached to create a school district.

Delete references to s. 117.11. New section: Insert as part of s. 121.905(3)(a)

- 3. For each school district from which territory was detached to create a school district under s.117.105, for the school year beginning with the effective date of the reorganization, perform the following calculations:
- a. Calculate the sum under subd. 1. for each of the school districts from which territory was detached to create the new school district.
- b. For each of those school districts, divide the result in subd. 3. a. by the number of pupils enrolled in that school district in the previous school year.
- c. For each of those school districts, multiply the result in subd. 3. b. by the number of pupils enrolled in that school district in the previous school year who did not reside in territory that was detached to create the new school district.

Replace Section 3, to create a different version of s. 121.905(3)(b) 3.

3. For a school district from which territory was detached to create a school district under s.117.105, for the school year beginning with the effective date of the reorganization, divide the result in par. (a) 3. by the number of pupils who in the previous school year were enrolled in the school district and who did not reside in the detached territory; for the school year beginning on the first July 1 following the effective date of



the reorganization, divide the result in par. (a) 1. by the number of pupils in the previous school year; and for the school year beginning on the 2<sup>nd</sup> July 1 following the effective date of the reorganization, divide the result in par. (a) 1. by the average of the number of pupils in the 2 previous years.

Section 4 delete reference to s. 117.11.

Replace Section 5, lines 20 thru 25 with:

Insert as part of s. 121.91 (2m)

- (s) 1. Notwithstanding par. (e), for a school district from which territory was detached to create a school district under s.117.105, its revenue limit under this section for the school year beginning with the effective date of the reorganization shall be determined as follows except as provided under subs. (3) and (4):
- a. For each district, divide the result under s. 121.905 (3) (a) 3. by the number of pupils who in the previous school year were enrolled in each school district from which territory was detached and who did not reside in the detached territory.
- b. Add an amount equal to the amount of revenue increase per pupil allowed under this subsection for the previous school year multiplied by the sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal to the result under subd. 1.a.
- c. Multiply the result under subd. 1 b. by the number of pupils who in the previous school year were enrolled in the school district and who did not reside in the detached territory, or by the number of pupils enrolled in the school district in the current school year, whichever is greater.
- 2. If a school district has territory detached to create a school district under s.117.105, the following adjustments to the calculations under par. (e) applies for the 2 school years beginning on the July 1 following the effective date of the reorganization:

Keep page 4, lines 1 thru 11.

C. For the section on declining enrollment, add provisions dealing with years 2 and

In section 6 relating to s. 121.91 (4) (f) 1.

Delete the reference to 117.11

Add the phrase:

For the school year beginning on the first July 1 following the effective date of a school which is the school district reorganization under s. 117.105, if the number of pupils enrolled in the current

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school year is less than the number of pupils enrolled in the previous school year, the limit under sub. (2m)(e) is increased by the additional amount that would have been calculated had the decline in enrollment been 25% of what it was for any school district affected by the reorganization. For the school year beginning on the second July 1 following the effective date of a school district reorganization under s. 117.105, if the average of the number of pupils enrolled in the current and the preceding school year is less than the average of the number of pupils enrolled in the two preceding school years, the limit under sub. (2m)(e) is increased by the additional amount that would have been calculated had the decline in average enrollment been 25% of what it was for any school district affected by the reorganization.

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By No. 121 LRB-3781/2 PG:kjf/h

#### BILL 2005

AN ACT to amend 121.905 (3) (b) 1. and 121.91 (4) (f) 1.; and to create 121.105 (2) (c), 121.905 (3) (b) 3., 121.91 (2m) (r) 3. and 121.91 (2m) (r) 4. of the statutes; calculation of a school district's relating to: the eligibility for special adjustment aid and the calculation of

revenue limits when territory is detached from one school district and attached to another or when territory is detached from one or more school districts to

create a new school district.

## Analysis by the Legislative Reference Bureau

Under current law, a school district is guaranteed to receive in each school year at least 85 percent of the amount of state aid that it received in the previous school year. The additional aid is called special adjustment aid.

Current law also increases a school district's revenue limit, if the average enrollment of the school district in the current and two preceding school years is less than the average enrollment in the three previous school years, by the additional amount that would have been calculated had the decline in enrollment been 25 percent of what it was.

This bill provides that if territory is detached from one or more school districts either to create a new school district or to attach the territory to another school district, none of the school districts affected by the reorganization are eligible for special adjustment aid or for the revenue limit increase described above in the school year in which the reorganization takes effect.



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district affected by a reorganization described above for the three years immediately following the effective date of the reorganization.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**Section 1.** 121.105 (2) (c) of the statutes is created to read:

121.105 (2) (c) Notwithstanding par. (am), in the school year in which a school district reorganization takes effect under s. 117.105 or VAMI, no school district affected by the reorganization is eligible for aid under this subsection.

SECTION 2. 121.905 (3) (b) 1. of the statutes is amended to read:

121.905 (3) (b) 1. Except as provided under subd. subds. 2. and 3., divide the result in par. (a) 1. by the sum of the average of the number of pupils enrolled in the 3 previous school years and the number of pupils enrolled who were school district residents and solely enrolled in a special education program provided by a county children with disabilities education board program in the previous school year.

**Section 3.** 121.905 (3) (b) 3. of the statutes is created to read:

to create a new school district under s. 117.105 or to attach to an adjoining school district under s. 117.11, for the school year beginning with the effective date of the reorganization, divide the result in par. (a) by the average of the number of pupils enrolled in the 3 previous school years for the school year beginning on the first July 1 following the effective date of the reorganization, divide the result in par. (a) by the number of pupils enrolled in the previous school year; and for the school year beginning on the 2nd July 1 following the effective date of the reorganization, divide the reorganization, divide

who in the previous school year were enrolled in the school district and who did not reside in territory that was detached to create the new school district

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1	the result in par. (a) by the average of the number of pupils enrolled in the 2
2	previous school years.
3	SECTION 4. 121.91 (2m) (a) (30) of the statutes is created to read:
4	121.91 (2m) (5) Notwithstanding par. (e), if territory is detached from a
5	school district either to create a new school district under s. 117.105 or to attach to
6	an adjoining school district under s. 117.11, the revenue limit under this section of
7	the school district from which territory is detached for the school year beginning with
8	the effective date of the reorganization shall be determined as follows except as
9	provided in subs. (3) and (4):
10	a. Divide the result under s. 121.905 (3) (a) by the average of the number of
11	pupils enrolled in the sprevious school years. envilled in the school district and who did not reside in territory that was detached
12	b. Add an amount equal to the amount of revenue increase per pupil allowed the new
13	under this subsection for the previous school year multiplied by the sum of 1.0 plus
14	the allowable rate of increase under s. 73.0305 expressed as a decimal to the result
15	v 1, under subd. ≱ a.
16	c. Multiply the result under subd. & b. by the number of pupils who in the
17	previous school year were enrolled in the school district and who did not reside in the
18	detached territory, or by the number of pupils enrolled in the school district in the
19	current school year, whichever is greater.
20	SECTION 5. 121.91 (2m) (r) 4. of the statutes is created to read:
21	121.91 (2m) (r) 4 If territory is detached from a school district either to create
22	a new school district under s. 117.105 orto attach to an adjoining school district
23	under s. 117.110 the following adjustments to the calculations under par. (e) apply to
24	the school from which territory is detached for the 2 school years beginning on the

July 1 following the effective date of the reorganization:

a. For the school year beginning on the first July 1 following the effective date
of the reorganization the number of pupils in the previous school year shall be used under par. (e) 1. instead of the average of the number of pupils in the 3 previous school
under par. (e) 1. instead of the average of the number of pupils in the 3 previous school
years, and for the school year beginning on the 2nd July 1 following the effective date
years, and for the school year beginning on the 2nd July 1 following the effective date of the reorganization the average of the number of pupils in the 2 previous school
years shall be used under par. (e) 1. instead of the average of the number of pupils
in the 3 previous school years.

b. For the school year beginning on the first July 1 following the effective date of the reorganization the average of the number of pupils in the current and the previous school year shall be used under par. (e) 4. instead of the average of the number of pupils in the current and the 2 preceding school years.

**SECTION 6.** 121.91 (4) (f) 1. of the statutes is amended to read:

121.91 (4) (f) 1. For the 1999-2000 school year or any school year thereafter, if the average of the number of pupils enrolled in the current and the 2 preceding school years is less than the average of the number of pupils enrolled in the 3 previous school years, the limit otherwise applicable under sub. (2m) (e) is increased by the additional amount that would have been calculated had the decline in average enrollment been 25% of what it was. In the school year in which a school district reorganization takes effect under s. 117.105 of MM. this subdivision does not apply

to any school district affected by the reorganization.

## SECTION 7. Initial applicability.

(1) This act first applies to school district reorganizations that take effect on July 1, 2006.

# STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

(mg) For a school district from which territory
is detached to create a new schol district,
this bill verises the method to calculating aid second second adjustment aid in the second and
this school years after the reorganization.  Takes effect using the ratio of retainer
takes effect using the ratio of retainer
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LRB Wisconsin Legislative Reference Bureau

(2-4:1)

Section #. 121.105 (2) (am) of the statutes is renumbered 121.105(2)(am)1. and amended to read:

121.105 (2) (am) 1. If a school district would receive less in state aid in the current year before

any adjustment is made under s. 121.15 (4) (b) than an amount equal to 85% of the sum of the state aid that it received in the previous school year and the adjustment, if any, made under s. 121.15 (4) (b) in the current school year, its state aid for the current school year shall be increased to an amount equal to 85% of the state aid received in the previous school year.

History: 1985 a. 29, 251; 1987 a. 27; 1989 a. 31, 114, 336; 1991 a. 39, 269; 1993 a. 16, 437; 1997 a. 27, 113; 1999 a. 9; 2001 a. 16, 104.

# STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

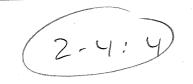
Legal (608-266-3561)

LRB

SEC. CR. 121-105 (2) (am) 2.  (3)  121.105 (2) (am) 2. If a school district from
121.105 (2)(am)2. If a school district from
which territory was detached to exerte a
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# STATE OF WISCONSIN – **LEGISLATIVE REFERENCE BUREAU**

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	in' the preceding school year by the school and abtrict's membership is the second	
	district i membership it the focund	
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	6. Multiply the quotient under subse 2.	<u>.</u>
	by the amount of state and received by the	
	school district in the preceding school year,	
	as adjusted under 5-121.15 (4) (6) in the	
	school district in the preceding school year, under as adjusted under s-121.15 (4)(6) in the quotient anvient school year, by the quotient under	
	suhd. 2.a.	
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	Wisconsin L Reference	egislative Bureau



Section #. 121.905 (3) (a) 1. of the statutes is amended to read:

121.905 (3) (a) 1. Except as provided under subd. 2. calculate the sum of the amount of state aid received in the previous school year and property taxes levied for the previous school year, excluding property taxes levied for the purpose of s. 120.13 (19) and excluding funds described under s. 121.91 (4) (c), and the costs of the county children with disabilities education board program, as defined in s. 121.135 (2) (a) 2., for pupils who were school district residents and solely enrolled in a special education program provided by a county children with disabilities education board in the previous school year.

History: 1995 a. 27; 1997 a. 27, 113, 164, 286; 1999 a. 9, 32; 2001 a. 16; 2003 a. 33; 2005 a. 25.

Section # (121.905 (3) (a) \$\frac{3}{2}\$ for a school district executed under s. 117.105, for the school year beginning with the effective date of the reorganization, perform the following calculations:

a. Calculate the sum under subd. 1. for each of the school districts from which territory was detached to create the new school district.

b. For each of those school districts, divide the result in subd. 2 (a. by the number of pupils enrolled in that school district in the previous school year.

c. For each of those school districts, multiply the result in subd. 2 (b. by the number of pupils enrolled in that school district in the previous school year who resided in territory that was detached to create the new school district.

d. Calculate the sum of the amounts determined under subd. 2. c.

History: 1995 a. 27; 1997 a. 27, 113, 164, 286; 1999 a. 9, 32; 2001 a. 16; 2003 a. 33; 2005 a. 25.

# STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

(4-20)
SEC. CR, 121.91(4)(f) Im.
121.91 (4) (f) Im. It territory is detached
from a school district to create a new
school district under s-117.105, will of the
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following apply to the school district from which territory was let achee and to the new school district:  a. In the school year in which
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# STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

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the additional amount that would	have
been calculated had the decline in one percent been 25 (b) of what it was ()	nellment
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been calculated had the decline in percent	
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t was.	Wisconsin Legislative Reference Bureau

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LRB-3781/A

# 2005 BILL

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AN ACT to renumber and amend 121.105 (2) (am); to amend 121.905 (3) (a) 1., 121.905 (3) (b) 1. and 121.91 (4) (f) 1.; and to create 121.105 (2) (am) 2., 121.905 (3) (a) 3., 121.905 (3) (b) 3., 121.91 (2m) (s) and 121.91 (4) (f) 1m. of the statutes; relating to: the calculation of a school district's special adjustment aid and revenue limit when territory is detached from one or more school districts to create a new school district.

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## Analysis by the Legislative Reference Bureau

Under current law, a school district is guaranteed to receive in each school year at least 85 percent of the amount of state aid that it received in the previous school year. The additional aid is called special adjustment aid. For a school district from which territory is detached to create a new school district, this bill revises the method for calculating special adjustment aid in the second and third school years after the reorganization takes effect using the ratio of retained pupils.

Current law increases a school district's revenue limit, if the average enrollment of the school district in the current and two preceding school years is less than the average enrollment in the three previous school years, by the additional amount that would have been calculated had the decline in enrollment been 25 percent of what it was. This bill also revises the method for calculating the revenue limit of a school district affected by a reorganization described above for the three years immediately following the effective date of the reorganization.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 121.105 (2) (am) of the statutes is renumbered 121.105 (2) (am) 1. and amended to read:

121.105 (2) (am) 1. If Except as provided in subd. 2., if a school district would receive less in state aid in the current school year before any adjustment is made under s. 121.15 (4) (b) than an amount equal to 85% of the sum amount of the state aid that it received in the previous school year and the adjustment, if any, made, as adjusted under s. 121.15 (4) (b) in the current school year, its state aid for the current school year shall be increased to an amount equal to 85% of the state aid received in the previous school year.

**Section 2.** 121.105 (2) (am) 2. of the statutes is created to read:

121.105 (2) (am) 2. If a school district from which territory was detached to create a new school district under s. 117.105 would receive in state aid in the school year beginning on the first July 1 following the effective date of the reorganization than the amount determined as follows, its state aid in the school year beginning on the first July 1 following the effective date of the reorganization shall be increased to an amount equal to 85 percent of the amount determined as follows:

- a. Divide the school district's membership in the preceding school year by the school district's membership in the 2nd preceding school year.
- b. Multiply the amount of state aid received by the school district in the preceding school year, as adjusted under s. 121.15 (4) (b) in the current school year, by the quotient under subd. 2. a.

SECTION 3.	121.905 (3	) (a) 1	. of the	statutes is	amended	to read:
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121.905 (3) (a) 1. Except as provided under subd. subds. 2. and 3., calculate the sum of the amount of state aid received in the previous school year and property taxes levied for the previous school year, excluding property taxes levied for the purpose of s. 120.13 (19) and excluding funds described under s. 121.91 (4) (c), and the costs of the county children with disabilities education board program, as defined in s. 121.135 (2) (a) 2., for pupils who were school district residents and solely enrolled in a special education program provided by a county children with disabilities education board in the previous school year.

SECTION 4. 121.905 (3) (a) 3. of the statutes is created to read:

121.905 (3) (a) 3. For a school district from which territory was detached to create a new school district under s. 117.105, for the school year beginning with the effective date of the reorganization, perform the following calculations:

- a. Calculate the sum under subd. 1. for each of the school districts from which territory was detached to create the new school district.
- b. For each of those school districts, divide the result in subd. 3. a. by the number of pupils enrolled in that school district in the previous school year.
- c. For each of those school districts, multiply the result in subd. 3. b. by the number of pupils enrolled in that school district in the previous school year who did not reside in territory that was detached to create the new school district.

**Section 5.** 121.905 (3) (b) 1. of the statutes is amended to read:

121.905 (3) (b) 1. Except as provided under subd. subds. 2. and 3., divide the result in par. (a) 1. by the sum of the average of the number of pupils enrolled in the 3 previous school years and the number of pupils enrolled who were school district

residents and solely enrolled in a special education program provided by a county children with disabilities education board program in the previous school year.

**SECTION 6.** 121.905 (3) (b) 3. of the statutes is created to read:

121.905 (3) (b) 3. For a school district from which territory was detached to create a new school district under s. 117.105, for the school year beginning with the effective date of the reorganization, divide the result in par. (a) 3. by the number of pupils who in the previous school year were enrolled in the school district and who did not reside in territory that was detached to create the new school district; for the school year beginning on the first July 1 following the effective date of the reorganization, divide the result in par. (a) 3. by the number of pupils enrolled in the previous school year; and for the school year beginning on the 2nd July 1 following the effective date of the reorganization, divide the result in par. (a) 3. by the average of the number of pupils enrolled in the 2 previous school years.

**SECTION 7.** 121.91 (2m) (s) of the statutes is created to read:

121.91 (2m) (s) 1. Notwithstanding par. (e), if territory is detached from a school district to create a new school district under s. 117.105, the revenue limit under this section of the school district from which territory is detached for the school year beginning with the effective date of the reorganization shall be determined as follows except as provided in subs. (3) and (4):

- a. Divide the result under s. 121.905 (3) (a) 3. by the number of pupils who in the previous school year were enrolled in the school district and who did not reside in territory that was detached to create the new school district.
- b. Add an amount equal to the amount of revenue increase per pupil allowed under this subsection for the previous school year multiplied by the sum of 1.0 plus

the allowable rate of increase under s. 73.0305 expressed as a decimal to the result under subd. 1. a.

- c. Multiply the result under subd. 1. b. by the number of pupils who in the previous school year were enrolled in the school district and who did not reside in the detached territory, or by the number of pupils enrolled in the school district in the current school year, whichever is greater.
- 2. If territory is detached from a school district to create a new school district under s. 117.105, the following adjustments to the calculations under par. (e) apply to the school district from which territory is detached for the 2 school years beginning on the July 1 following the effective date of the reorganization:
- a. For the school year beginning on the first July 1 following the effective date of the reorganization, the number of pupils in the previous school year shall be used under par. (e) 1. instead of the average of the number of pupils in the 3 previous school years; and for the school year beginning on the 2nd July 1 following the effective date of the reorganization, the average of the number of pupils in the 2 previous school years shall be used under par. (e) 1. instead of the average of the number of pupils in the 3 previous school years.
- b. For the school year beginning on the first July 1 following the effective date of the reorganization the average of the number of pupils in the current and the previous school year shall be used under par. (e) 4. instead of the average of the number of pupils in the current and the 2 preceding school years.

**Section 8.** 121.91(4)(f) 1. of the statutes is amended to read:

121.91 (4) (f) 1. For Except as provided in subd. 1m., for the 1999–2000 school year or any school year thereafter, if the average of the number of pupils enrolled in the current and the 2 preceding school years is less than the average of the number

of pupils enrolled in the 3 previous school years, the limit otherwise applicable under sub. (2m) (e) is increased by the additional amount that would have been calculated had the decline in average enrollment been 25% of what it was.

**SECTION 9.** 121.91 (4) (f) 1m. of the statutes is created to read:

121.91 (4) (f) 1m. If territory is detached from a school district to create a new school district under s. 117.105, all of the following apply to the school district from which territory was detached and to the new school district:

- a. In the school year in which the school district reorganization takes effect, subd. 1. does not apply.
- b. For the school year beginning on the first July 1 following the effective date of the school district reorganization, if the number of pupils enrolled in that school year is less than the number of pupils enrolled in the previous school year, the limit otherwise applicable under sub. (2m) (e) is increased by the additional amount that would have been calculated had the decline in enrollment been 25 percent of what it was.
- c. For the school year beginning on the 2nd July 1 following the effective date of the school district reorganization, if the average of the number of pupils enrolled in that school year and the previous school year is less than the average of the number of pupils enrolled in the 2 previous school years, the limit otherwise applicable under sub. (2m) (e) is increased by the additional amount that would have been calculated had the decline in average enrollment been 25 percent of what it was.

## SECTION 10. Initial applicability.

(1) This act first applies to school district reorganizations that take effect on July 1, 2006.

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Section #. 121.91 (2m) (r) 2. b. of the statutes is amended to read:

121.91 (2m) (r) 2. b. For the school year beginning on the first July 1 following the effective date of the reorganization the average of the number of pupils in the current and the previous school years shall be used under pars. (e) 4., (d) 4. and (e) 3 instead of the average of the number of pupils in the current and the 2 preceding school years.

History: 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25.



Section #. 121.91 (4) (f) 2. of the statutes is amended to read:

121.91 (4) (f) 2. Any additional revenue received by a school district as a result of subdal. shall not be included in the base for determining the school district's limit under sub. (2m) (e) for the following school year.

History: 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25.

## Northrop, Lori

Sen.Olsen

To: Subject:

LRB 05-3781/5 attached as requested

Attachments:

05-3781/5



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